

Funding Basic Education

Sunday, February 15, 2009, 9:23:24 PM

Open Letter to Teachers

by Rep. Ross Hunter -- <http://www.leg.wa.gov/House/Hunter/>

I've had a lot of questions from teachers on HB 1410 that seem to indicate some misunderstanding of our intent and I believe a misreading of the bill. 1410 is a serious attempt to address school funding inadequacies and the structural problems that have built up over 30 years since the last major revision. **The worst structural problem affecting teachers is the legislature's inability to give raises to teachers without bankrupting school districts.** This occurs due to the interaction between TRI pay and the number of teachers local districts have to hire to meet even a weak definition of "basic education." **This is crazy**, and not in the interest of anyone in the system, most particularly teachers.

Our seminal observation about the current system is that it's resulted in a pretty serious decline in the relative competitiveness of teacher salaries over the last few decades. The stat I use with some frequency is that the SAT scores of students entering teaching programs at universities have declined 75 points over the last 25-30 years. The number is national, not specific to Washington, but is an indicator that we're losing our attractiveness to the top students. This is a recipe for failure of the system, as we totally depend on teacher quality for any results. The first thing we **MUST** do is start with competitive teacher salaries. Our proposal includes a comparable wage survey of the labor markets in Washington, comparing teacher salaries to jobs that have similar educational and talent requirements.

Other issues have been raised in emails and letters from teachers. Below I've tried to address some of the more common questions.

There is no money in the bill – it's just unfunded mandates!

We've taken a strategy of relying on the constitution's protection for "basic education" funding as the core of our approach to increasing spending. In severe downturns the courts have ruled that "basic education" is immune from cuts, and the state must find a way to fund it. 1410 expands the definition of basic education to include the expenditures necessary to provide enough instructional time to meet the state's graduation requirements, with adjustments to provide extra time for struggling students, those learning English, and special education, with a little early learning for at-risk kids thrown in. This is a very large expansion over our current definition. Our initial estimates have it costing as much as 40-60% more than we are spending today.

Our concern about proposing a tax increase as part of the initial proposal is that without the constitutional protection of the basic education definition the money would just be "supplanted." **This means "spent on something else," which has been the history of school funding for decades.** In the budget Governor Gregoire proposed education

funding (outside the basic ed definition) was cut about 5% and other areas were cut closer to 20% or more. It will get worse as we get more news on the revenue forecast front. Imagine new tax revenue becoming available without a mandate for how it would be spent – it would go to the areas with the greatest cuts. Working out the expenditure plan first is the key element of our proposal.

We are open to having a discussion about additional revenue. Our initial thought was that we could fund our proposal by taking a larger share of the natural growth of the state budget. The economic downturn has made this not a viable strategy. We are not ready to have this conversation, though I will be happy to be at the table when we do. I do not intend to put in place a new set of requirements on local school districts without the funding to pay for them. Changing the basic education definition puts the requirement on the state, not on local districts.

Changes to the Salary Structure

In HB 1410 we propose a new salary structure for new teachers, not a change to the existing SAM for existing teachers. New teachers are ones who have not yet been hired. Existing teachers should have the option to switch to the new system. We believe that the new system will be financially attractive enough that almost all teachers will switch over in the next 10 years, at which point we may be able to end the existing system. We may not, and we are very open to discussing this point.

There are some changes for existing teachers, and I believe they will be positive financially for all of you. If not, it's hard to imagine why we would want to do it.

- **Regional COLA.** We propose a regional adjustment to salaries based on a comparable wage survey. The preliminary analysis we did for Washington Learns and for this task force leads me to believe the difference would be around 28% in the highest cost labor markets – the central Puget Sound region. Our intent is to have this replace a component of TRI pay. The amount of TRI pay by district correlates most closely with the regional cost of living analysis, but is pretty unevenly distributed. We believe we should compensate teachers for the cost of living, and that this would be a fairer and more transparent way of doing so.
- **10 LID days.** It's not only districts with large amounts of local revenue that need planning and professional development time. Again, switching this cost responsibility to the state improves fairness.
- **Mentoring and Evaluation.** Our proposal creates an extensive mentoring and evaluation system for new teachers. The system would be run by our professional teachers (you) because there is nobody else with the knowledge and experience to do this. The system proposes significant extra compensation for teachers in the current system for taking on this responsibility.

- **More instructional time.** The model provides a significant increase in the amount of instructional time. This means more teachers, and more compensation to teachers who work more time.
- **Additional school-wide bonus for academic growth.** We propose a bonus going to schools that meet their academic growth goals. This would be large enough to get your attention, but would not replace the need for competitive base compensation.

Wrong Time?

I'm hearing a lot of comments that this is the "wrong time" to be working on structural changes to school funding. I've been working on this project for 6 years, through both lean and fatter times. The question I would ask is "If not now, when?" We are going through a very lean time now, and when we come out of this recession we will resume economic growth. It would be good to have a better structural foundation to start from at that point.

Big changes in school funding always come out of crises. This was true of the last one in the seventies – a double levy failure in Seattle. I believe we're facing a similar crisis with budget shortfall this year, and I want to come out of it in a stronger position, with a better plan, one that has public support and is difficult for future legislatures to change.

Accountability

There have been some concerns that the accountability provisions in this bill are like No Child Left Behind – "all accountability, no resources." This is not our intent. There are two main elements to this part of the proposal:

- **Transparency.** Today school budgets are impenetrable. Our proposal makes both the state budget and the individual school budgets very clear and easy to understand. This is critical for parents and taxpayers – we should know what we're getting from the district.
- **Persistent School Failure.** Some schools, no matter the level of resources provided, will continue to be badly managed and will have negative outcomes for children. In cases where this goes on for more than a few years the state needs the authority to intervene. Exactly what that intervention will entail will be a major point of discussion this year, but our intent is that it look a lot like the focused assistance program we have now – helping schools get on a more productive path. Nobody expects this to affect more than a handful of schools in any given year and the state does not have the capacity or desire to directly administer schools.

I'm sure there are other specific concerns about the bill, and I'll try to address those as we move forward. We view this bill as a work in progress, and expect at least another year before all the kinks are worked out of it. The school funding system is very complex and needs a re-thinking. We believe this structure is the right way to start, and that it will be a significant improvement for all of us, most certainly including our teachers.

Fred's Response to PTA Questions

Sunday, February 15, 2009, 9:18:47 PM | Ross

Sen. Jarret wrote a response to a number of questions from some Mercer Island PTA members. I've appended it to this post. It's somewhat long. Fred is the only person who is more verbose than I am, but in a good way...

From:

Sent: Sunday, February 15, 2009 7:53 AM

To: Jarrett, Sen. Fred

Subject: Education task force recommendations

Dear Mr. Jarrett,

We Mercer Island parents have whooped with excitement about the recommendations from the bipartisan Basic Education Funding Taskforce. After 103 studies, it looked the most realistic way to finally redefine education in modern terms and fully fund it. These recommendations are now in bill format and the question is: is this good for Mercer Island? The answer is a cautious "yes, but" we do have concerns on implementation, namely a lack of funding and the slashing of local investment.

We are 100% behind a new vision for education funding. Without a powerful end goal, we risk plodding along with the status quo: a creaky system patched with opaque formulas and goosed by lawsuits and voter initiatives. Such a system is not worthy of increased funding – however valid – and we will remain around 45th in funding nationwide. House Bill 1410 and Senate Bill 5444 – “Model Schools bills” for short – encapsulate a very worthy vision: **raising the bar** (longer school day, more school days, more credits required from high school students), **class size reduction**, supporting **quality teaching** (more professional development; thoughtful changes to teacher career ladder and compensation), and **transparent school budgets** for accountability and communication to parents and community.

We are optimistic because we laud these end goals. The means to this goal, however, is where “Model Schools bills” remain a work in progress.

Redefinition of basic education is truly basic. While a much better definition, it falls short of what Mercer Island currently offers (e.g. 7 period MIHS day vs. the proposed 6 funded periods) and what it strives to be (2020 Vision). “Model Schools bills” extend a funding hand to bring districts up to the median good, but offers little to districts which strive to deliver at a national and global level.

[] Today, the state funds five periods. We wanted to fund seven, but found the cost too high a hurdle to overcome. So, in the end we accepted Core 24 and the minimal six periods required to implement it plus additional funding for at-risk schools where additional time would be required.

For districts like Bellevue and Mercer Island with seven period days, this means that one more period would be funded as a part of basic education and one would remain an “extension” funded by local levies.

It is important to note in this context, as well as the levy discussion below, that the proposal intends to “buy-back” the TRI pay currently funded locally. There are two parts to this. We learned that TRI pay maps very closely to cost of living, so we included a cost-of-living adjustment to compensation in basic education. Second, we added ten LID days to state funding. Both of these are currently funded by TRI. Finally, we have limited the use of TRI to T, Time. Districts will only be permitted to negotiate for or pay for additional hours of instruction. That significantly limits the ability to use local levies to compensate at higher levels, encouraging the use of levies to extend basic education with local funds.

Until the state reaches the middle of the pack, world class will continue to be a local extension.

Where’s the money, and meanwhile, don’t take ours. The Model Schools bills offer no funding mechanism or rollout plan.

[] Partially correct. We have a rollout strategy, but we were unable to fill in the specific numbers or get the goal number right. The bill does attempt to define the goal numerically, but we are not comfortable with the analysis of those numbers. They will likely shift a bit. And so we didn’t fill in all of the details about the steps over the next eight years.

We also did not propose more revenue for a couple of reasons. First, we believed it was important to have the reform plan first. Why should people support more investment in education? The plan must answer that question. Second, it is arguable that economic growth can provide the needed revenues if the education portion of the budget grows faster and reaches its historic share of the budget. For twenty years K-12 has grown slower and lost share.

Clearly, it is likely we will need more revenue and we are working on that. I expect we will have an answer by the end of session, if we pass the reforms.

At the same time, the bills force Mercer Island to decrease its local levy funding by 2012 in the name of formulaic equality.

[] I disagree. The 30% lid provides a significant increase for MI and other 41st District school districts. While less than the 33% of today, the base will be 40-50% higher. Plus much of the TRI pay currently funded through local levies. The proposal provides Eastside districts, including MI, with seriously more capacity. Some have expressed concern for the sunseting of levies and equalization. We did that to put pressure on the work groups to return with the operational details of the proposed reforms. For example, how would equalization work? (I’ve written more about that below.) Instead, we’ve created fears that a cliff exists which districts will fall off. To be clear: It is our intent, and we will get any legislation passed with our support, to assure no districts lose on local or state funding.

This is a twin blow to Mercer Island: we are very wary about reform being rolled out as unfunded mandates, and our levies – our community investment in education and its kids – are critical to backfilling existing unfunded mandates (special education, teachers) and delivering a beyond-basic education to kids.

[[I'm not persuaded there are any unfunded mandates. There may need to be some work on details, but whether you're referring to the accounting or student information systems, the expectation is for them to be funded by the state. We don't know how to get the job done right if we leave it to 295 districts, the ESD and a couple of entrenched vendors.

And, we're working on bills to cut the local mandates as a reaction to the current recession.

If there is one important message here, it's about sustaining and expanding local investment in education, not subtracting it.

- ==> If levies are to be equalized, equalize the final per-pupil amount, rather than equalizing the "lid", a part of the equation. 25% of schools can raise more in local taxes than Mercer Island, even with their lower levy lids. Perhaps levies can be equalized on a regional basis where costs run high
[[It was our intent to do local levies on a per student basis instead of the current method, both for calculating the base for levies and the equalization. I introduced an amendment to the final report to do so, but we ran out of time and the amendment wasn't adopted. Levy lids and equalization are complex and emotional topics, and we concluded the time needed to bring people to an understanding of the topic, and develop and present the data required to do so argued for a specific task force focused on that topic. That is in the bill.
- ==> Advocate, rather than diminish, local investment in education, a powerful engine for the State and for the community. Research shows that higher/unlimited local funding actually boosts overall state funding. Cutting-edge investment will push improvements in education statewide. By artificially restricting local investment, money is left on the table and we're all losing out
[[I agree. I argued for no lid at all and had one other member of the committee who agreed. The remaining members sought to increase the local capacity, largely based on your arguments for innovation and pressure on state funding, but caps none-the-less based on a notion of equity. As a political matter, the fact is that the numbers of districts like ours with the capacity to raise additional funds lags the number of districts with real or perceived inability. Their legislators strongly oppose higher limits as a consequence. I worked on a couple ideas, for example "taxing" a portion of the local levies to fund equalization, but found no support on either side of the levy equalization divide. Consequently, I've supported the 30% lid as it provides our districts (MI, Bellevue, Issaquah and Renton) with seriously increased local capacity.
- ==> Right now, stabilize levy collection: a cut in I-728 or other state funding cannot doubly hurt districts by lowering the voter-approved levy ask from one year to the next. Please support SB 5721 / HB 1776 which hold levy asks constant to previously voted amounts
[[I was an author of the bill 2003 which pioneered that idea. I'm a sponsor of 5721. I think we'll get it through.

Special needs and gifted kids aren't a formula. Transparent per-pupil funding needs to be extended to special needs and gifted students. The Highly Capable Allocation is capped at 3% and, unlike all the other allocations, is specifically not permitted to count the actual number of students enrolled. Special needs kids are funded more than now, but still according to a one-size-fits-all formula that probably won't sum up enough.

[] We don't know how to do that. I've argued that Individual Education Plans (IEPs) are driven by diagnoses and services can be audited to determine if appropriate services, per a defined plan, supported by objective diagnoses. I've argued that makes fraud and misuse unlikely. I've not prevailed.

The two problems are that legislators cite. First they believe such a system would create a moral hazard; that is districts would have an incentive to stretch the diagnoses to increase state funding. The increase in the number of special education students over the last decades is used as a demonstration of the truth of this argument (which I don't buy, but I do understand that the K-12 system does not have an accounting system which could support such a system). The second is that the diagnoses aren't objective, rather they are very subjective.

So, what we did accomplish was to significantly enhance the funding. First, we propose the full education apportionment should be the basis for special ed funding. That would raise the base for the current year from about \$5.6 billion to \$7 billion. Second we propose to increase educational funding from \$7 billion to ~\$11 billion, virtually doubling the resources available. Not perfect, perhaps but significant improvement. Highly capable is a different problem. I don't know what the solution will be, except to say the lawyers are having a field day. The twin problem is this: If we make gifted a part of basic education, which I supported during our deliberations, we need to provide a single, state-wide instrument to identify the qualifying students. Many expect that will result in biasing funding to white, suburban schools. Others think an instrument can be devised which is not culturally biased and will provide more opportunity to the disadvantaged.

I would like to see gifted a part of basic education. I hope we can find a practical way to do so.

Quality teachers belong in our classrooms. The Model School bills offer only school loan forgiveness as an incentive to attract good quality math and science teachers; this alone will fail to entice established professionals and ignores paying this skill more in line with the market. We need similar incentives for other hard-to-find specialists as well. Also, while connecting teacher classroom evaluations to compensation is a long-overdue idea, it is not in the kids' best interest to have good teachers leave the classroom to peer-evaluate teachers in other districts.

[] I've argued for differential pay for special skills. We did not include it in proposal, frankly, because of the opposition of the WEA. We hoped that by avoiding hot button issues like differential pay and state-wide collective bargaining we could encourage their support of the other reforms.

It appears we may have been over optimistic. Legislators are being deluged by e-mail from teachers and parents who accept the WEA's assertion that SB 5444 is "the single most dangerous piece of legislation introduced in the last twenty years" followed by charges that it cuts teacher pay, authorizes charter schools and creates a single state-wide school district. The legislation may be teetering on the edge of defeat if we cannot overcome their attacks.

Loan forgiveness appeared to be the best way to get the most value to new teachers practically. Because these teachers would avoid any loan payments early in their career they should see significantly more take-home pay, the equivalent of differential pay. For those coming into the profession from other professions, we've suggested they enter higher on the pay grid, compensating them for relevant experience.

Legislators need to seize this vision and work out a thoughtful implementation plan to funding. Our kids can't wait for another study.

[] Obviously, I agree. And this is the year to do it. When I arrived in the legislature nine years ago, these conversations could not take place. The knowledge, capability and motivation among members didn't exist. We now have a core of very knowledgeable legislatures many of whom are in positions of influence. Ross Hunter chairs the House Finance Committee, Rodney Tom is the vice chair of the Senate Ways and Means Committee, Pat Sullivan is a senior member and vice chair on House Education Committees, Skip Priest is the ranking member of the House Education Appropriations Committee, and Don Cox the ranking member of the House Education Committee and I serve as vice-chair of the Senate Higher Education Committee. This is not a permanent situation. We must act this year.

[House Bill Introduced - 1410](#)

Tuesday, January 20, 2009, 4:24:56 PM | Ross

We introduced House bill 1410 today. It's 111 pages long and very difficult to read because it touches lots and lots of the laws that govern K-12. I've posted a summary of what the bill actually does that's only 17 pages long. I'll try to write a more comprehensible (and shorter) version in the next few days. I have re-written the 4-page summary of the report to match the final numbers, and I'm posting a link to it at the end of this post, and on the "Documents" page of this site.

[basic-ed-funding-4-page-overview_final.pdf](#)

[hb-1410 section by section analysis](#)

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